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REPUBLICAN POLICY COMMITTEE



## Congress of the United States

House of Representatives

**Mashington, DC 20515-0304**February 28, 2006

U.S. Department of Interior Minerals Management Service Attention: Rules Processing Team 381 Elden Street MS-4024 Herndon, Virginia 20170-4817

Re: Alternate Energy-Related Uses on the Outer Continental Shelf-1010-AD30

Dear Ms. White:

I am very pleased to offer comments on the development of a regulatory program to implement portions of the Energy Policy Act of 2005, Section 388-Alternate Energy-Related Issues on the Outer Continental Shelf (OCS). The success of utilizing retired offshore platforms for alternative energy sources and mariculture will be dependent on a stable legal framework to transfer the platform liability from the oil and gas operator to the alternative energy or mariculture user. In addition, the cost of permitting, monitoring, reporting, and disposing of platforms will have to be economical if the new industry is to succeed.

A legal method to terminate oil and gas operator's liability is essential. Oil and gas companies cannot economically justify perpetual liability. HR 4241 Sec. 6521, directs the Mineral Management Service (MMS) to create regulations that relieve oil and gas operators of all liability once they plug the wells and remove hazardous waste. The liability transfer should begin at the time the title and platform is transferred to a new venture and any liability for prior action or neglect should terminate. Unless indemnification issues are satisfied, oil and gas operators will continue to remove the platforms to avoid ongoing liability.

The length and cost of the permitting process for activities on the OCS has prohibited many ventures. It is my hope that MMS will coordinate with the other agencies to simplify and expedite the permitting process. In nearly four decades, the operation of offshore structures has not resulted in significant environmental damages to their surrounding environments; however, the most dangerous and environmentally damaging process in the life of an offshore platform is the removal of the structure with explosives. Platform removals destroy Essential Fish Habitat (EFH), Endangered Species Habitat (ESH) and coral and sponge communities.

The use of retired offshore platforms for alternative sources of energy and mariculture offers abundant opportunities. It is essential that MMS revise federal regulations in order to facilitate and expedite the transfer of these platforms. Thank you in advance for your consideration of this matter. If I or my staff can be of any assistance, please do not hesitate to contact Terri Fish at (202) 225-2031.

Sincerely.

Charles W. Boustany, Jr., M.D. Member of Congress (LA-7)

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